

Economic Development and Job Creation

The following is a list of key legislation relating to jobs and economic recovery. The bills have passed through a number of different committees, but collectively represent core legislation in the subject matter. If we have overlooked an important measure, please contact the Assembly Committee on Jobs, Economic Development and the Economy at 916-319-2090.

Business Assistance, Emphasis on Small Business

AB 29 (John A. Pérez, Mike Feuer and V. Manuel Pérez) - Office of Business and Economic Development: This bill establishes the Governor's Office of Business and Economic Development (GO-BIZ), which would be administered by a director appointed by the Governor. The bill would also move the Office of Small Business Advocate to the Office of Economic Development. **Status:** Signed by the Governor, Chapter 475, Statutes of 2011.

AB 32 (Lara – V. Manuel Pérez) - Entrepreneurship: Economic Gardening: This bill states the intention of the Legislature to enact legislation that supports entrepreneurship as a form of economic development and job creation in communities throughout this state. This legislation would provide for research and assessment of urban and suburban communities regarding their assets, skills, and needs, and utilize that data to determine economic opportunities in those communities and support access to capital for entrepreneurs in these communities. The legislation would also, among other things, identify opportunities for local and state agencies to remove barriers to make siting, zoning, and licensing easier for small businesses, in order to allow for entrepreneurial job creation, and promote the development of entrepreneurial education curricula and programs. **Status:** Pending referral by the Assembly Committee on Rules.

AB 222 (Committee on Agriculture) - Reporting of Food Biotechnology Task Force: This bill deletes the obsolete reporting requirements from the Food Biotechnology Task Force provisions. **Status:** Signed by the Governor, Chapter 97, Statutes of 2011.

AB 450 (Wieckhowski) - CSU Food Service Contracts: This bill would have required that the California State University (CSU) trustees' policies and procedures for the acquisition of food services ensure that the service contractor fully discloses to the CSU campus, auxiliary, or other CSU unit all discounts, rebates, allowances and incentives received from suppliers, and that the contractor pay the full amount of these to the CSU campus. The bill would have also required that these requirements be placed in agreements upon their renewal, extension, or amendment, or be part of any new service agreement. **Status:** Vetoed by Governor. The veto message reads as follows: "This bill targets a narrow set of contracts between the California State University campuses and their food vendors. It aims to correct a problem that may or may not exist by requiring those vendors to disclose supplier discounts and pass them on to the campuses. Since they can already do this on their own, this measure is not necessary."

AB 571 (Hagman) - Corporations: Distributions: This bill authorizes a corporation to distribute cash or property to shareholders, including a dividend or repurchase or redemption of shares, if the amount of the corporation's retained earnings prior to the distribution equals or exceeds the sum of the distribution and the cumulative dividends in arrears on certain preferred stock and,

after giving effect to the distribution, the value of the corporation's assets equals or exceeds the sum of its liabilities and the liquidation preference of any preferred stock, except as specified. The bill would provide that a board of directors may base a determination that the value of its assets exceeds the amount of liabilities on financial statements prepared on the basis of accounting practices and principles that are reasonable in the circumstances, a fair valuation, or any other method that is reasonable under the circumstances. This bill contains other related provisions and other existing laws. Status: Signed by the Governor, Chapter 203, Statutes of 2011.

AB 581 (John A. Pérez) – Access to Healthy Food: This bill creates the California Healthy Food Financing Initiative (CHFFI), the CHFFI fund and the CHFFI Council, for the purpose of expanding access to healthy foods in underserved communities. Requires the Secretary of the California Department of Food and Agriculture (CDFA), by July 1, 2012, to prepare recommended actions to be taken to promote food access within California. Authorizes CDFA to create an Advisory Group as specified. This authority remains in effect until January 1, 2017. Status: Signed by the Governor, Chapter 505, Statutes of 2011.

AB 624 (John A. Pérez) - California Organized Investment Network: This bill extends the operation of the credits until January 1, 2017, and require the Insurance Commissioner to establish a California Organized Investment Network Advisory Board, as specified, to advise the California Organized Investment Network on the best methods of increasing insurance investments while providing fair returns to investors and social benefits to underserved communities. Status: Signed by the Governor, Chapter 436, Statutes of 2011.

AB 690 (Solorio) - Portable Electronics Insurance: This bill updates the laws governing the sale of insurance in connection with portable electronic devices and their accessories and associated services. Status: Signed by the Governor, Chapter 165, Statutes of 2011.

AB 750 (Hueso) - Finance: Investment Trust Blue Ribbon Task Force: This bill would have created a blue ribbon task force to consider the viability of establishing the California Investment Trust which would serve as a state bank. Status: Vetoed by Governor. The veto message reads as follows: "This bill would mandate yet another "blue ribbon" task force: in this case to examine whether California should establish a state bank. This is a matter well within the jurisdiction and competence of the Assembly and Senate Banking Committees. Rather than creating a new entity, let's use the resources we have."

AB 901 (V. Manuel Pérez) - Small Business Act Implementation: This bill updates terms and makes clarifications to assist the successful implementation of the federal and state small business acts of 2010. Status: Signed by the Governor, Chapter 483, Statutes of 2011.

AB 981 (Hueso) - California Capital Access Program: This bill modifies the California Capital Access Program (CalCAP), administered through the California Pollution Control Finance Authority (CPCFA), in order to encourage greater participation by financial institutions in the small business credit program. Status: Signed by the Governor, Chapter 484, Statutes of 2011.

AB 1069 (Fuentes) - Film Tax Extension: This bill extends the applicability of the California Film and Television Tax Credit for five years, thereby authorizing the allocation of an additional

\$100 million annually in tax credits to qualified productions from July 1, 2014 until July 1, 2019. Status: Signed by the Governor, Chapter 203, Statutes of 2011.

AB 1150 (V. Manuel Pérez) - Self-Generation Incentive Program: This bill extends the authority of the PUC to authorize electrical corporations to continue making the annual collections through December 31, 2016, and the PUC, would continue to administer the program until January 1, 2018. Status: Signed by the Governor, Chapter 310, Statutes of 2011.

AB 1195 (Allen) - Corporation Taxes: The Corporation Tax Law provides that income derived from or attributable to sources within this state includes income from specified types of property. This bill would make technical, nonsubstantive changes to this provision. Status: Held on the Suspense File of the Senate Committee on Appropriations.

AB 1379 (Bradford) - Pension Investments in Emerging Domestic Markets: This bill would have required any state or local pension system with assets over \$4 billion to report annually to the Controller specified information on emerging domestic market investments, and authorizes the Controller to compile and publish the information on its Internet Web site. Status: Vetoed by Governor. Veto message reads as follows: "This bill takes the state's Infrastructure Bank (I-Bank) out of the Business, Transportation and Housing Agency and makes it a stand-alone agency reporting directly to the Governor. I agree with the author that the I-Bank can be better situated so that it operates more effectively. Toward that end, I will propose a reorganization plan in connection with the upcoming budget that will include changes in the I-Bank. I hope to work with the author to achieve our mutual goals."

AJR 15 (Alejo) - Colombia Free Trade Agreement and the California Cut Flower Industry: This resolution memorializes to the U.S. Congress and the U.S. President that California encourages the federal government to consider the jobs and economic role the California floriculture industry provides California when advancing free trade agreements, specifically with Colombia. Specifically, this bill makes the following findings and declarations: Status: Chaptered by the by Secretary of State - Res. Chapter 122, Statutes of 2011.

ABX1-40 (Fuentes) - Income Taxes: Single Sales Factor: Manufacturing Exemption: This bill would have made various changes regarding the apportionment income, assignment of sales, and the minimum franchise tax under the corporation tax; institutes specified reductions in the tax rate applied to certain income for purposes of the corporation tax and the personal income tax; establishes a tax exemption for certain purchases under the sales and use tax; and, sets up a process to adjust the sales and use tax exemption amount under certain conditions. Status: Died without final action upon adjournment of the first extraordinary session, September 2011.

SB 294 (Price) - Emerging Investment Managers: This bill requires the Board of Administration of the California Public Employees' Retirement System and the California State Teachers Retirement System to provide a five-year strategic plan for emerging manager participation and to report to the Legislature annually on the progress of the plan. Status: Signed by the Governor, Chapter 701, Statutes of 2011.

SB 364 (Yee) - Business Tax Credits and Mandatory Reporting: This bill would have imposed a penalty on a qualified taxpayer that claims a business tax incentive or a tax credit, enacted after

January 1, 2012, but fails to maintain the requisite number of full-time equivalent employees in subsequent years, as provided. Status: Vetoed by the Governor. Veto message reads as follows: "This bill imposes penalties on businesses claiming future-enacted hiring/employment credits should the business's number of employees drop by more than 10% during a year. The tactic used in this bill can be effective for assuring that businesses deliver promised employment to the State in exchange for valuable credits. Unfortunately, the bill's approach is too broad. Penalties should be tailored to the unique provisions of each tax credit given."

SB 508 (Wolk) - Reporting on Tax Credits: This bill would have provided that a new tax credit, enacted by a bill introduced on or after January 1, 2012, shall be operative for a period not to exceed 10 years and shall include specified goals, objectives, and purposes, as well as other detailed information relating to the credit's effectiveness. Status: Vetoed by the Governor. Veto message reads as follows: "While I agree that we should consider sunset clauses for personal income and corporate tax credits, one size does not fit all. The legislature should examine all its bills to determine how long they should exist or, indeed, whether they should exist at all."

SB 618 (Wolk) - Solar Easement on Agricultural Lands: This bill allows a city or county and a landowner to concurrently rescind a Williamson Act (Act) contract on marginally productive or physically impaired lands and enter into a solar-use easement that restricts the use of land to photovoltaic (PV) solar facilities. Status: Signed by the Governor, Chapter 596, Statutes of 2011.

SB 733 (Price) - High-Speed Rail: Small Business Bidding Preference: This bill requires the High-Speed Rail Authority to include within its business plan a strategy ensuring the participation of California small businesses in contracts awarded during all phases of the project, as specified. Status: Pending in the Senate Committee on Appropriations.

SB 805 (Senate Veterans Committee) - Sales and Use Tax Definitions: This bill amends the sunset date for the provisions of the sales and use tax law that currently classify a qualified itinerant vendor who meets specified criteria, including being a disabled veteran, as a consumer, not a retailer, of specified tangible personal property that is sold by the vendor. Status: Signed by the Governor, Chapter 246, Statutes of 2011.

SB 861 (Corbett) - Public Contracts and Conflict Minerals in the Democratic Republic of the Congo: This bill prohibits a company that (1) uses conflict minerals from the Democratic Republic of Congo and (2) is found to be in violation of related disclosure laws by the Securities and Exchange Commission, from bidding on a state goods or services contract. Status: Signed by the Governor, Chapter 715, Statutes of 2011.

SB 892 (Lieu) - Economic Development and Job Creation, and Competitiveness Agency: This bill creates the Economic Development, Job Creation, and Competitiveness Agency in state government, under the supervision of a Secretary of Economic Development, Job Creation, and Competitiveness, and set forth their respective duties generally. It would also require the agency to develop a statewide strategy that identifies goals and objectives for job creation and

competitiveness for the state's top economic sectors, and make recommendations to the Governor and Legislature in that regard. Status: Pending in the Senate Committee on Labor.

SB 922 (Steinberg) - Public Contracts: Public Entities: Project Labor Agreements: This bill requires that all project labor agreements (PLAs) incorporate specified provisions, and prohibits state funding assistance, after January 1, 2015, on public works projects of charter cities having ordinances prohibiting the use of PLAs. (This language amended into AB 900 Buchanan)
Status: Signed by the Governor, Chapter 431, Statutes of 2011.

Community Vitalization

AB 129 (Beall) - Local Government: Assessments of Fines and Penalties: This bill would have streamlined code enforcement activities by allowing local governments to use hearing officers and combine their administrative fine/penalty and nuisance abatement processes. This bill also, enhances local governments' ability to administer code enforcement programs in their communities, as well as, gives local governments a more cost-effective and efficient process for collecting administrative fines and penalties. Status: Vetoed by the Governor. The veto message reads as follows: "At a time when property owners are struggling to pay their mortgages, this bill would weaken the due process requirements for local building departments to obtain property liens. Local governments already have a fair process in place, and I see no reason to change it."

AB 90 (Swanson) - Human Trafficking of Minors: The bill provides that a person who deprives or violates another person's liberty with the intent to effect or maintain the felony of making available to another person a person under 16 years of age for the purpose of any lewd or lascivious act, or the felony of the procurement of minors in the preparation of material depicting sexual conduct by a minor, is guilty of human trafficking. This bill contains other related provisions and other existing laws. Status: Signed by the Governor, Chapter 457, Statutes of 2011.

AB 138 (Beall) - Elder Economic Planning Act of 2011: This bill requires, the department to report data from the Elder Economic Security Standard Index (Elder Index), as defined, for each service area included in the state plan. Status: Signed by the Governor, Chapter 668, Statutes of 2011.

AB 187 (Lara) - High-Risk Local Government Agency Audit Program: This bill authorizes the State Auditor to establish a high-risk local government agency audit program to identify, audit, and issue reports on any local government agency, including any city, county, or special district, or any publicly created entity that the State Auditor identifies as being at high risk for the potential of waste, fraud, abuse, or mismanagement or that has major challenges associated with its economy, efficiency, or effectiveness. Status: Signed by the Governor, Chapter 451, Statutes of 2011.

AB 557 (John A. Pérez) - California Interagency Council on Veteran Services and Programs: This bill creates the California Interagency Council on Veteran Services and Programs for the purpose of bringing together key state agencies and departments, federal officials, legislative

representatives, local governments, and stakeholder organizations to ensure that the state's programs that serve veterans are efficiently administered and properly integrated with federal and local government and other stakeholder organizations. Status: Pending in the Senate Committee on Appropriations.

AB 685 (Eng) - Regional Water Management Planning: This bill would have established a state policy that all residents of the state have a right to clean, affordable, and accessible water for human consumption. The bill also directs relevant state agencies to implement the policy. Status: Held on the Suspense File of the Assembly Committee on Appropriations.

AB 982 (Skinner) - Land Exchange for Renewable Energy-Related Projects: This bill requires the State Lands Commission to enter into an agreement with the federal Department of the Interior to facilitate land exchanges between the state and federal government, to allow for the development of renewable energy project on state lands. Status: Signed by the Governor, Chapter 485, Statutes of 2011.

AB 983 (Perea) - Safe Drinking Water Fund: This bill authorizes the Department of Public Health (DPH) to take specified actions, when implementing the Safe Drinking Water State Revolving Fund (SDWSRF), to improve access to financial assistance for projects serving small community water systems and disadvantaged communities. Status: Signed by the Governor, Chapter 515, Statutes of 2011.

AB 1072 (Fuentes) - California Promise Neighborhoods Initiative: This bill would have established the California Promise Neighborhoods initiative in the Office of Economic Development (office). The office would have required that 40 promise neighborhoods be established throughout the state to maximize collective efforts within a community to improve the health, safety, education, and economic development of each neighborhood and would require the office use existing state resources and federal funds to implement these provisions. Status: Held on the Suspense File of the Assembly Committee on Appropriations.

AB 1088 (Eng) - Collection of Demographic Data for Asian and Pacific Islanders: This bill revises the collection and use of demographic data for Asian and Pacific Islander groups and require state agencies, board, or commission that collect demographic data to include data on specified collection categories and tabulations in every demographic report on ancestry or ethnic origins of California residents that is published or released after July 1, 2012. Status: Signed by the Governor, Chapter 689, Statutes of 2011.

ABX1-25 (Blumenfeld) - Redevelopment Clean-Up: This bill would have made various changes to implement the redevelopment package adopted in AB 26X and AB 27X as part of the 2011-12 budget. General additional flexibility to redevelopment agencies (RDAs) and cities and counties to make annual payments, but also maintain the anticipated General Fund budget solution in 2011-12. This bill would have also added protections for low- and moderate- income housing (low-mod) funds by specifying in the case of an eliminated RDA, that existing balances are retained for low-mod purposes and affordability covenants are retained. This bill makes other follow-up changes to address unforeseen circumstances that are consistent with the original

intent. Status: Died without final action upon adjournment of the first extraordinary session, September 2011.

ABX1-31 (Calderon) - Redevelopment and Community Remittances: This bill would have made changes in the basis on which community remittances can be adjusted under the Alternative Voluntary Redevelopment Program established under previous legislation. The change is necessary for the proper implementation of that legislation relating to the 2011-12 budget agreement. Status: Died without final action upon adjournment of the first extraordinary session, September 2011.

SB 67 (Price) - Small Business Participation in Public Contracts: This bill would have authorized the Department of General Services to direct all state entities to establish an annual goal of achieving not less than 25% small business participation in state procurement contracts, as specified. Status: Held on the Suspense File of the Assembly Committee on Appropriations.

SB 225 (Simitian) - California Capital Access Loan Program and Truck Retrofit Financing: This bill authorizes the California Pollution Control Financing Authority to establish a loss reserve account program for the purposes of financing terminal rental adjustment clause leases. Status: Signed by the Governor, Chapter 492, Statutes of 2011.

SB 214 (Wolk) - Voter Approval of Infrastructure Financing Districts: This bill eliminates the requirement of voter approval to create an infrastructure financing district (IFD) and revises the provisions governing the public facilities that may be financed by an IFD. Status: Pending on the Inactive File of the Assembly Floor.

SB 450 (DeSaulnier) - Redevelopment and Housing: This bill would have made various reforms to the activities of redevelopment agencies (RDA) in fulfilling the requirements to increase, preserve and improve low and moderate income housing. Status: Vetoed by the Governor. The veto message reads as follows: "This measure contains significant legal changes that will affect Low and Moderate Income Housing funds managed by redevelopment agencies, but this bill is a little ahead of its time. The California Supreme Court has indicated that it will rule on California Redevelopment Agency v. Matosantos by January 15, 2012, and I believe it would be premature to enact such substantive reforms before that time."

SB 469 (Vargas) - Approval of Superstores: This bill would have required cities and counties have an economic impact report prepared before approving or disapproving the construction or conversion of superstore retailers. Status: Vetoed by the Governor. Veto message reads as follows: "This measure would require cities and counties to prepare an economic-impact report when evaluating plans to develop certain big-box stores. While I recognize that the merits of large-scale projects need to be carefully considered, plenty of laws are already on the books that enable and in some cases require cities and counties to carefully assess whether these projects are in a community's best interests. This bill would add yet another layer of review to an already cumbersome process."

SBX1-8 (Budget Committee) - Redevelopment: This bill would have made various changes to existing laws related to community redevelopment and the Alternative Voluntary redevelopment

Program. The changes relate to certain technical issues, clarifying provisions and special circumstances that are in reference to previously adopted legislation affecting redevelopment agencies (RDAs). These changes are necessary for the proper implementation of that legislation relating to the 2011-12 budget agreement. Status: Vetoed by Governor. The veto message reads as follows: "I am returning Senate Bill 8 (First Extraordinary Session) without my signature. Legislation abolishing redevelopment agencies (ABx1 26) and establishing a Voluntary Alternative Redevelopment Program (ABx1 27) is currently the subject of litigation in California Redevelopment Association v. Matosantos. The California Supreme Court has indicated that it will rule in this case by January 15, 2012. Until the court issues its ruling in this case, it would be premature to consider the modifications proposed in this bill."

SBX1-13 (Budget Committee) - Alternative Voluntary Redevelopment Program: This bill would have made changes in the basis on which community remittances can be adjusted under the Alternative Voluntary Redevelopment Program established under previous legislation. The change was approved by the Legislature in order to make changes necessary for the proper implementation of legislation relating to the 2011-12 budget agreement. Status: Died without final action upon adjournment of the first extraordinary session, September 2011.

SBX1-30 (Alquist) - Community Redevelopment: The bill would, notwithstanding these restrictions described below, authorize a redevelopment agency, for purposes of certain bonds issued by a 3rd-party credit provider, to seek an extension of the credit enhancement or to modify or amend the terms of existing agreements with the credit provider to avoid or delay the incurrence of certain types of reimbursement obligations. This bill would also authorize a redevelopment agency to issue Emergency Refunding Bonds in specified situations relating to lines of credit obtained from a financial institution. Existing law suspends various activities of redevelopment agencies, including, among other things, refunding, restructuring, or refinancing indebtedness or obligations that existed prior to January 1, 2011, or amending or modifying existing agreements, obligations, or commitments with any entity for any purpose. Existing law authorizes a redevelopment agency to issue Emergency Refunding Bonds in specified circumstances, including, among others, when it is the only means available to the agency to avoid a default on outstanding agency bonds. Existing law also dissolves redevelopment agencies and community development agencies, as of October 1, 2011, and designates successor agencies, as defined. Status: Died without final action upon adjournment of the first extraordinary session, September 2011.

Enterprise Zones and G-TEDAs

AB 231 (V. Manuel Pérez) – Comprehensive Enterprise Zone Reforms: This bill makes significant changes to the California Enterprise Zone Program for the purpose of making it more transparent, targeted to lower income communities and accountable to the public. Status: Scheduled to be heard on January 4, 2012 in the Assembly Committee on Jobs, Economic Development and the Economy.

AB 232 (V. Manuel Pérez) - Enterprise Zones Government Code Changes: The bill modifies the purpose of the California Enterprise Zone Program to be that of helping to stabilize local

communities, alleviate poverty, and enhance the state's economic prosperity through the implementation of public and privately funded programs and services that stimulate business and industrial growth in the depressed areas of the state. This bill contains other related provisions and other existing laws. Status: Scheduled to be heard on January 4, 2012 in the Assembly Committee on Jobs, Economic Development and the Economy.

AB 1278 (Hill) - G-TEDA Hiring Credits: This bill limits the application of the new hire credit in instances where the tax payer has relocated from one area of California to a geographically targeted economic development area (G-TEDA) on or after January 1, 2011. Under this circumstance, a G-TEDA hire credit is only allowed for qualified employees who represent a net increase to the total number of California workers employed by the tax payer over the previous tax year. Further, the tax payer is required to have also made a bona fide offer of employment at the new work location to each employee at the old location that was displaced by the move. Status: Pending in the Assembly Committee on Jobs, Economic Development and the Economy.

AB 1411 (V. Manuel Pérez) - Enterprise Zone Accountability Reforms: This bill reforms elements of the state's Enterprise Zone Program to make it more transparent, cost-effective, aligned to community development objectives, and accountable to the public and the communities it serves. Status: Pending in the Senate Committee on Appropriations.

SB 301 (DeSaulnier) – New Enterprise Zone Designations: This bill prohibits a jurisdiction which applies for an enterprise zone designation, on or after January 1, 2012, that includes area that way once within a previously designated zone from receiving a new zone designation that has a geographic area more than 115% of the size of the previous zone. The bill also limits new zone designations in cases where area had been within one or more previously designated zones to 115% of the largest of those zones. Status: Pending in the Assembly Committee on Jobs, Economic Development and the Economy.

California Manufacturing and Logistical Systems

AB 16 (Perea) - High-Speed Rail Authority: This bill requires the High Speed Rail Authority to make every effort to purchase high-speed train rolling stock and related equipment that are manufactured in California, consistent with federal and state laws. Status: Pending on the Inactive File of the Senate Floor.

AB 894 (V. Manuel Pérez) - California Manufacturing Competitiveness Act of 2011: This bill would have established a loan and loan guarantee program to enable the state to draw down federal dollars to support the retooling and expansion of manufacturing in California. Status: Vetoed by the Governor. The veto message reads as follows: “The objectives of the bill are excellent. However, the loan program it creates can be run by the state’s Infrastructure bank, which already has authority and experience lending directly to businesses.”

SB 550 (Padilla) - Business: Manufactured Optical Disc: This bill authorizes law enforcement officials to inspect commercial optical disc manufacturing facilities to ensure compliance with existing laws requiring certain identifying marks on each disc, and increases the fines for individuals who violate provisions regulating manufactured optical discs. Status: Signed by the Governor, Chapter 421, Statutes of 2011.

Workforce Development and Education

AB 790 (Furutani) - Linked Learning Pilot Program: This bill establishes, commencing with the 2012-13 school year, the Linked Learning Pilot Program to be administered by the Department of Education (CDE) according to specified requirements for the purpose of implementing district-wide linked learning programs in all participating school districts. This bill requires the Superintendent of Public Instruction (SPI) to report on the program to the Legislature and the Governor, as specified. This bill requires the SPI to use existing state and federal resources to implement the pilot. **Status:** Signed by the Governor, Chapter 616, Statutes of 2011.

AB 1310 (Furutani) - Career Technical Education and Workforce Development: This bill would have required the Secretary of Labor and Workforce Development, in conjunction with the California Workforce Investment Board, the California Community Colleges, the State Department of Education, and the California Postsecondary Education Commission to develop a strategic plan for connecting the delivery of education and workforce development in the state. **Status:** Vetoed by Governor. The veto message reads as follows: "This bill would require the Labor and Workforce Development Agency, in conjunction with the California Workforce Investment Board, the Office of the Chancellor of the California Community Colleges, the State Department of Education, to develop a strategic plan that connects the delivery of education and workforce development in California. Although I heartily agree with the author's goal, I don't think a new law is needed. My Senior Advisor for Jobs and Economic Development and my Secretary of Labor are already working with educators, labor and business leaders to achieve the important objectives of this bill. I have asked them to work with the author and supporters of the bill to make sure their good ideas are acted on."

AB 1330 (Furutani) - Graduation Requirements: This bill, commencing with the 2012-13 school year, adds career technical education as an option for pupils to fulfill the existing high school graduation requirement to complete a course in visual or performing arts or foreign language, and requires school districts that elect this option to notify parents, teachers, pupils and the public. These provisions sunset on July 1, 2017. **Status:** Signed by the Governor, Chapter 621, Statutes of 2011.

SB 43 (Liu) - CalFRESH Employment Training: This bill requires those counties that elect to provide a CalFresh Employment and Training (CalFresh E&T) program to screen work registrants and defer (exempt) an individual from mandatory placement if he or she meets federal deferral criteria or resides in a federally determined work surplus area. This bill also requires those counties that elect to participate in the CalFresh E&T program, beginning October 1, 2012, to offer self-initiated workfare to registrants who are mandatorily placed in the program. **Status:** Signed by the Governor, Chapter 507, Statutes of 2011.

SB 56 (Corbett) - Apprenticeship Oversight: This bill makes changes to the state approval of apprenticeship programs related to the building and trade industry. **Status:** Signed by the Governor, Chapter 696, Statutes of 2011.

SB 128 (Lowenthal) – Funding of High Performance Schools: This bill expands the use of modernization funding under the School Facility Program to include the cost of designs and materials that promote the characteristics of high-performance schools, and expands eligibility for funding from the High Performance Incentive Grant program to include projects approved to receive a Career Technical Education Facilities Program grant. Status: Signed by the Governor, Chapter 622, Statutes of 2011.

SB 292 (Padilla) - Community College Transfers: This bill provides clarification of issues that arose during the implementation of the Student Transfer Achievement Reform Act (STAR) program including clarification that students who complete the requirements outlined for a degree for transfer under the STAR program are granted priority in enrollment over all other California Community College transfer students, consistent with the current statutorily outlined enrollment planning and admission priorities. Status: Signed by the Governor, Chapter 353, Statutes of 2011.

SB 361 (Berryhill) - Minimum School Day Funding for the Center for Advanced Research and Technology: This bill extends the authorization for The Center for Advanced Research and Technology, a charter school located in Fresno County, to operate and receive revenue limit funding under a specified formula until July 1, 2017. Status: Signed by the Governor, Chapter 625, Statutes of 2011.

SB 461 (Blakeslee) - High School Equivalency Certificate: This bill expands the list of people who may receive a high school equivalency certificate to include youth who are at least 17 years of age and have successfully completed the academic curriculum of a National Guard Youth Challenge Program. Status: Signed by the Governor, Chapter 628, Statutes of 2011.

SB 500 (Hancock) - Partnership Academies: This bill requires funds to be allocated to partnership academies on a competitive basis, if the funding is provided through the annual Budget Act. California Partnership Academies were established for the purpose of providing combined academic and occupational training programs to eligible at-risk students in grades 10-12 inclusive [SB 70 (Scott), Chapter 253, Statutes of 2005]. Status: Pending in Assembly Committee on Appropriations.

SB 650 (Lowenthal) - College Promise Partnership: This bill establishes the College Promise Partnership Act, which authorizes the Long Beach Community College District and the Long Beach Unified School District to enter into a partnership for purposes of concurrent enrollment. Status: Signed by the Governor, Chapter 633, Statutes of 2011.

SB 671 (Price) - Continuing Education for Court Reporters: : This bill would have required the Court Reporters Board of California (Board), on or before July 1, 2012, to adopt regulations to establish continuing education (CE) requirements for renewal of a court shorthand reporter's certificate, with certain exceptions, and requires the Board to establish a procedure for approving providers of CE courses, as specified. Status: Vetoed by the Governor. The veto message reads as follows: "This bill would make license renewal for court reporters contingent on continuing education. The whole idea of legally mandated "continuing education" is suspect in my mind. Professionals already are motivated to hone their skills - or risk not getting business. Requiring

them to pay fees to "continuing education providers" is an unwarranted burden. I am returning Senate Bill 671 without my signature."

SB 698 (Lieu) - High Performance Local Workforce Development Boards: This bill requires the establishment of standards and incentives for "high-performance" local workforce investment boards. Status: Signed by the Governor, Chapter 497, Statutes of 2011.

SB 779 (Lieu) - Personal Finance Education: This bill would have authorized a school district, as part of providing economics instruction in grades 7-12, to include instruction related to the understanding of personal finances, including, but not limited to, budget savings, credit, and identify theft. Status: Held on the Suspense File of the Assembly Committee on Appropriations.

SB 813 (Senate Committee on Veterans Affairs) - Priority Registration for Veterans: This bill extends priority registration enrollment for veterans at the California State University and the California Community Colleges, from two to five years. Status: Signed by the Governor, Chapter 375, Statutes of 2011.

SB 734 (DeSaulnier) – Local Workforce Investment Boards Expenditures II: This bill requires specified minimum amounts of federal Workforce Investment Act funds that are allocated to local boards to be spent on workforce training programs: a) 25% beginning with the 2012 federal program year; and b) 30% beginning with the 2016 federal program year. Status: Signed by the Governor, Chapter 498, Statutes of 2011.

SB 776 (DeSaulnier) - Local Workforce Investment Boards Expenditures I: The bill would have established threshold requirements for the percentage of federal Workforce Investment Act funds expended for training programs, support services, and specified bridge services by local boards, as follows: beginning federal program year 2012 - at least 20 percent; beginning federal program year 2014 - at least 30 percent; and beginning federal program year 2016 - at least 40 percent. Further, the bill requires the Employment Development Department to monitor compliance, as specified, and requires a local workforce investment board that does not meet these requirements to submit a corrective action plan. Status: Failed passage in the Assembly Committee on Appropriations.

Infrastructure

AB 16 (Perea) - High-Speed Rail Authority: This bill requires the High-Speed Rail Authority to make every effort to purchase high-speed train rolling stock and related equipment that are manufactured in California, consistent with federal and state laws. Status: Pending on the Inactive File of the Senate Floor.

AB 41 (Hill) - High Speed Rail and Conflicts of Interest: This bill adds members of the High-Speed Rail Authority to those specified offices who must publicly identify a financial interest giving rise to a conflict of interest or potential conflict of interest, and recuse themselves accordingly. Status: Pending on the Inactive File of the Senate Floor.

AB 145 (Galgiani) - High-Speed Rail Authorization: This bill would have revised and recast provisions the California High Speed Rail Act. The bill would have continued the authority for the High-Speed Rail Authority to make policy decisions relative to implementation of high-speed rail consistent with Proposition 1A. The bill would have also created the Department of High-Speed Trains within the Business, Transportation and Housing Agency. Status: Held on the Suspend File of the Senate Committee on Appropriations.

AB 391 (Pan) - Renewable Energy Resources and Local Publicly Owned Electric Utilities: This bill authorizes rules permitting the local utility to apply excess procurement in one compliance period to subsequent compliance periods in the same manner as allowed for retail sellers, with certain specified exceptions. Status: Pending on the Inactive File of the Senate Floor.

AB 423 (Butler) – Reorganization of the California Infrastructure Bank: This bill moves the California Infrastructure Bank from the Business, Transportation and Housing Agency to the Department of Finance. Status: Pending in the Assembly Committee on Jobs, Economic Development and the Economy.

AB 615 (Lowenthal, Bonnie) - High-Speed Rail Exemption: This bill exempts the High-Speed Rail Authority (HSRA) from the Department of General Services involvement, oversight and approval of the following activities and other property rights for the high-speed rail project and would further exclude HSRA from seeking approval of the State Public Works Board and the Department of Finance before appropriated capital outlay funds are expended. This bill would also provide HSRA authority for property disposal, leasing, rental and management, as well as establish where revenues from these activities will be deposited. Status: Signed by the Governor, Chapter 530, Statutes of 2011.

AB 650 (Blumenfield) - Blue Ribbon Task Force on Public Transportation for the 21st Century: This bill would have established a 12-member Blue Ribbon Task Force on Public Transportation for the 21st Century (Task Force) and appropriate \$750,000 from the Public Transportation Account (PTA) to the Department of Transportation (Caltrans) to fund the activities of the Task Force. Status: Vetoed by Governor. The veto message reads as follows: "This bill would mandate yet another "blue ribbon" task force: in this case to prepare a report on public transportation at a cost of at least \$750,000. This is a matter well within the jurisdiction and competence of the Assembly and Senate Transportation Committees. Moreover, Caltrans and the California Transportation Commission are also equipped to probe into these matters. Rather than creating a new entity, let's use the resources we have.

AB 664 (Ammiano) - Infrastructure Financing Districts and the America's Cup Venues: This bill authorizes the City and County of San Francisco to form special waterfront infrastructure financing districts (IFDs) on certain waterfront property that may be used as an America's Cup venue and specified property on Treasure Island and Yerba Buena Island. These IFDs would divert property tax increment to leverage financing for development, as specified, including increment that would otherwise be allocated to the Educational Revenue Augmentation Fund. Status: Signed by the Governor, Chapter 314, Statutes of 2011.

AB 696 (Hueso) – Economic Development Mandate for Infrastructure Projects: This bill would have required projects selected for funding under the Infrastructure State Revolving Fund

Program, administered through the California Infrastructure and Economic Development Bank, to only be funded if the project meets specified land use and economic development criteria. Status: Vetoed by Governor. Veto message reads as follows: "This bill, among other things, requires the state Infrastructure Bank to create a methodology to measure the economic development benefits of projects for both public and private applicants. Local government applicants already must make findings that their project promotes economic development and long-term employment. Requiring the I-Bank to speculate on the project's benefits is a costly addition to the application process. Private entities obtain approval from a bond underwriter before federal law allows the state to issue tax-free bonds using its bonding authority. The state has no financial stake or risk in these transactions. Consequently, there is no reason to incur the expense of calculating economic benefits for the transactions of private entities."

AB 700 (Blumenfeld) – Independent Infrastructure Bank: This bill would have established an independently administered California Infrastructure and Economic Development Bank and removes the Secretary of the Business, Transportation and Housing Agency as chairperson. Status: Vetoed by the Governor. Veto message reads as follows: "This bill takes the state's Infrastructure Bank (I-Bank) out of the Business, Transportation and Housing Agency and makes it a stand-alone agency reporting directly to the Governor. I agree with the author that the I-Bank can be better situated so that it operates more effectively. Toward that end, I will propose a reorganization plan in connection with the upcoming budget that will include changes in the I-Bank. I hope to work with the author to achieve our mutual goals."

AB 724 (Bradford) - Clean Energy Jobs and Investment Act: This bill extends, from January 2012 to 2020, the requirement that the Public Utilities Commission mandate electrical corporations to identify a separate electrical rate component (public goods charge) to fund energy efficiency, renewable energy, and research, development, and demonstration programs that enhance system reliability and provide in-state benefits. Status: Pending on the Senate Floor.

AB 893 (V. Manuel Pérez) – Technical Assistance for Infrastructure Development: This bill would have authorized the California Infrastructure and Economic Development Bank to provide technical assistance outreach to small and rural communities, and adding new reporting requirements to the appropriate fiscal and policy committees of the legislature. Status: Held on Suspense File of the Senate Committee on Appropriations.

AB 1094 (John A. Pérez) – Board Membership of the California Infrastructure Bank: This bill adds a member of the Assembly and a member of the Senate as advisory members of the board of administration of the California Infrastructure and Economic Development Bank. Status: Pending referral by the Senate Committee on Rules.

ABX1-14 (Skinner) - Energy Upgrade Financing: This bill expands the purpose of the California Alternative Energy and Advanced Transportation Financing Authority's (Authority) Property Assessed Clean Energy program to permit the Authority to offer financial assistance to financial institutions for privately-issued loans for real property projects including energy and water efficiency improvements and renewable distributed generation. Status: Signed by the Governor, Extraordinary Session One Chapter 9, Statutes of 2011.

SB 245 (Rubio) - Military Base Reuse: This bill establishes the Military and Aerospace Support Act of 2011. The bill also establishes the Office of Military Support (OMS) in the Business, Transportation and Housing Agency, and sets forth the duties of the OMS to provide a central clearinghouse for all defense retention, conversion base reuse and sustainability activities and to interact and communicate with military installations within the state as specified. Status: Pending in the Assembly Committee on Jobs, Economic Development and the Economy.

SB 310 (Hancock) - Incentives for Transit Development: This bill authorizes cities and counties to create incentives for transit priority projects. Further the bill expresses Legislative intent to provide a process for cities and counties to create development patterns in the form of transit priority projects that comply with the implementation of a sustainable communities strategy, create good jobs, reduce vehicle miles traveled, expand the availability of accessible open-space, build the density needed for transit viability, and meet regional housing targets. Status: Signed by the Governor, Chapter 446, Statutes of 2011.

SB 325 (Rubio) - Central California Rail: This bill establishes the Central California Railroad Authority to provide short-line rail freight service within Fresno, Kern, Kings, Merced, and Tulare Counties. Status: Signed by the Governor, Chapter 234, Statutes of 2011.

SB 555 (Hancock) - Renewable Energy Facilities: This bill authorizes Mello-Roos Community Facilities Districts to finance renewable energy, energy efficiency, and water efficiency improvements on private property. Status: Signed by the Governor, Chapter 493, Statutes of 2011.

SB 771 (Kehoe) - California Alternative Energy and Advanced Transportation Financing Authority: This bill specifies that landfill and digester gas turbines, engines, and microturbines may be considered renewable energy eligible for financial assistance under the California Alternative Energy and Advanced Transportation Financing Authority Act. Status: Signed by the Governor, Chapter 598, Statutes of 2011.

SB 822 (Evans) – Five-Year Infrastructure Plan: Existing law requires the Governor, in conjunction with the Governor's Budget, to submit annually to the Legislature a proposed 5-year infrastructure plan containing specified information concerning infrastructure needed by state agencies, public schools, and public postsecondary educational institutions and a proposal for funding the needed infrastructure. This bill makes technical, nonsubstantive changes to this provision. Status: Pending in the Assembly Committee on Budget.

SB 907 (Evans) – 20-Year Infrastructure Master Plan: This bill establishes an 11-member Master Plan for Infrastructure Financing and Development Commission. The Commission is required to submit to the Governor and Legislature, by December 1, 2013, a long-term plan and strategy for the state's infrastructure needs and a prioritized plan to meet those needs. The Commission is also required to submit periodic progress reports. Status: Pending in the Assembly Committee on Jobs, Economic Development and the Economy.

SJR-13 (Vargas) - Cross-Border Transmission Lines: This resolution calls upon the United States Department of Energy to reject an application for a cross-border Presidential permit

authorizing Energía Sierra Juárez U.S. Transmission LLC to construct, operate, and maintain electric transmission facilities at the U.S.-Mexico border. Status: Chaptered by the Secretary of State, Res. Chapter 96, Statutes of 2011.

International Trade

AB 1137 (V. Manuel Pérez) – Small Business Assistance and Attracting Private Investment:

This bill facilitates local economic development and job creation by assisting small business to access new export markets for their goods and services, updating the law relating to free trade zones, and authorizing the use of new federal funds under the Small Business Jobs Act of 2010.

Status: Pending in Senate Committee on Appropriations.

AB 1409 (JEDE Committee) - International Trade and Investment Strategy: This bill requires that the next update by Business, Transportation and Housing Agency, of the international trade and investment strategy to include policy goals, objectives and recommendations from the state Goods Movement Action Plan. Status: Pending in the Senate Committee on Appropriations.

AB 1410 (JEDE Committee) - International Trade with Mexico: This bill makes technical amendments to the codes relating to international trade and foreign investment. Specifically, this bill reorganizes the statutory placement of the California-Mexico Affairs Office and the California-Mexico Border Relations Council from a general title within state government to a more specific title on foreign relations within the Government Code. No changes are made to the content of sections. Status: Pending on the Senate Floor.

SB 460 (Price) - International Trade Marketing and Promotion: This bill requires the Secretary of the Business, Transportation and Housing Agency to convene a statewide business partnership for international trade marketing and promotion. Status: Held on the Suspense File of the Assembly Committee on Appropriations.

SCR 33 (Price) - Foreign Investment: This bill expresses the sentiment of the Legislature that the EB-5 visa program is beneficial to the state's economic development and provides important opportunities for foreign direct investment to California. Status: Chaptered by the Secretary of State. Res. Chapter 60, Statutes of 2011.

Regulatory Reform

AB 135 (Hagman) – Small Business Member on the Air Resources Board: This bill would have required that at least one of the 11 members of the California Air Resources Board be a small business owner. This bill will sunset on January 1, 2017. Status: Vetoed by Governor. The veto message reads as follows: "This bill requires that one member of the governing board of the California Air Resources Board be an owner of a small business, as defined, within the past five years. I agree that persons with business experience should be on the Air Board. In fact, four sitting members have such experience. But whether the Air Board should have one member, as provided in this bill, or four, is best left to the discretion of the Governor."

AB 393 (Wagner) - Administrative Procedure Act: Existing law, the Administrative Procedure Act, governs the procedure for the adoption, amendment, or repeal of regulations by state agencies and for the review of those regulatory actions by the Office of Administrative Law. Existing law declares the intent of the Legislature in establishing the office. This bill makes a technical, nonsubstantive change to the Administrative Procedure Act provisions. Status: Pending referral by the Assembly Committee on Rules.

AB 632 (Wagner) - Regulations: Legislative Notice: This bill requires that the notice of proposed action also be submitted to the Legislature if it includes particular information relating to economic and cost impacts of the regulation on businesses and private persons. Status: Pending in the Assembly Committee on Business, Professions and Consumer Protection.

AB 892 (Carter) - Federal Pilot on Streamlining Environmental Reviews: This bill would have provided for the extension of California Department of Transportation's National Environmental Policy Act delegation authority by extending a waiver of sovereign immunity, as specified. Status: Held on the Suspense File of the Senate Committee on Appropriations.

AB 900 (Buchanan and Steinberg) - Jobs and Economic Through Environmental Leadership Act of 2011: This bill enacts the Jobs and Economic Improvement Through Environmental Leadership Act of 2011, which establishes specified review procedures for the judicial review of the environmental impact reports and for certain approvals on a "leadership project." The act authorizes the Governor to certify a leadership project for streamlining pursuant to the act if certain conditions are met. Leadership projects include development project related to the development of a residential, retail, commercial, sports, cultural, entertainment, or recreational use project, or clean renewable energy or clean energy manufacturing project. The bill would repeal the act as of January 1, 2015. Status: Signed by the Governor, Chapter 354, Statutes of 2011.

AB 1037 (V. Manuel Pérez) - Small Business Regulatory Reform: This bill would have removed statutory barriers that inhibit the full consideration of the impacts of state rules and regulations on the economy, including the small business sector, and requires a review of all regulations on small businesses after five years to identify opportunities to mitigate negative impacts. Status: Held on the Suspense File of the Assembly Committee on Appropriations.

SB 16 (Rubio) - Renewable Energy and Expedited Permitting: This bill requires the Department of Fish and Game to take steps to expedite the processing of renewable energy permits. Status: Signed by the Governor, Chapter 311, Statutes of 2011.

SB 353 (Blakeslee) - Economic Analysis of Regulations: This bill requires an agency to enter into an agreement for the performance of an external economic peer review of an agency's economic assessment for any major rule. The bill would prohibit an agency from taking any action to adopt the final version of a major rule unless certain conditions relating to the external economic peer review are met. Status: Pending in the Senate Committee on Governmental Organization.

SB 366 (Calderon) - Agency Review of Regulations: This bill requires each state agency to undertake specified actions within 180 day of enactment of regulations that have been adopted by a state agency, including but not limited to identifying any regulations that are duplicative, overlapping, inconsistent, or out of date, and adopting, amending, or repealing regulations to reconcile or eliminate any duplication, overlap, inconsistency, or out-of-date provisions, after conducting a publicly noticed hearing and using procedures for adopting emergency regulations. Status: Pending in the Senate Committee on Governmental Organization.

SB 396 (Huff) - Regulation Review Process: This bill requires each state agency to review each regulation adopted prior to January 1, 1990, and to develop a report with prescribed information that shall be submitted to the Legislature on or before January 1, 2013. The bill also requires each agency, on or before January 1, 2018, and at least every five years thereafter, to conduct additional reviews of regulations that have been in effect for at least 20 years and to submit an annual report to the Legislature that identifies the regulations reviewed during that year and the associated findings. Status: Pending in the Senate Committee on Environmental Quality.

SB 560 (Wright) – Small Business Regulations: This bill makes a number of reforms to help small businesses grow the encouraging more realistic regulations and a real assessment of the actual costs of regulations to the business community. The bill 1) authorizes a state agency to consult with “parties who would be subject to the proposed regulations” rather than “interested persons.” Also requires the agency to notify in writing the Office of Small Business Advocate and the Department of Finance (DOF) if the agency does not, or is unable to, consult with parties subject to the regulation and reasons for not consulting the impacted businesses; 2) revises the economic impact assessment to also include a small business economic impact statement as specified; 3) requires the notice of proposed adoption, amendment, or repeal of a regulation to also include the small business impact statement and removes the requirement for an agency to make a specified statement in the notice of proposed adoption, amendment, or repeal of a regulation if the agency is not aware of any cost impacts that a representative private person or business would incur in compliance with the regulation, and instead requires the agency to include a statement describing how a private person or business could comply with the proposed regulation without incurring a cost; 4) requires OAL to also return any regulation to the adopting agency if the adopting agency has not provided the above cost estimate and small business economic statement. provides that for any interested person to obtain a judicial declaration as to the validity of any regulation or order of repeal by taking certain actions, “interested person” includes but is not limited to, “a small business or an organization or trade association that represents small businesses and whose members are affected by the regulation.”; and 5) adds restrictions for regulations relating to a new or emerging technology, as specified. Status: Pending in the Senate Committee on Environmental Quality.

SB 617 (Calderon) - State Government and Financial and Administrative Accountability: This bill revises the state Administrative Procedure Act to require each state agency adopting a major regulation to prepare an economic impact analysis and requires state agencies to implement ongoing monitoring of internal auditing and financial controls and other best practices in financial accounting. Status: Signed by the Governor, Chapter 496, Statutes of 2011.

SB 639 (Cannella) - Economic Impact Analysis of Regulations: This bill requires the California Environmental Protection Agency (CalEPA), the entities that comprise that Agency, and the Division of Occupational Safety and Health, when proposing to adopt, amend, or repeal an administrative regulation, to complete an economic impact analysis (EIA) prior to taking any action. The bill also requires the EIA to contain the projected cost of the action to the General Fund, the projected total economic impact of the action, including the cost to private sector employers and the estimated number of jobs to be lost, a description of all feasible regulatory alternatives, a cost-benefit analysis of each alternative, and a summary of written comments, a review of the EIR by an independent entity and that all this information be placed on the CalEPA website. Status: Pending in the Senate Committee on Environmental Quality.

SB 643 (Correa) - Estimating Cost of Administrative Procedures: This bill would have made an initial statement of the reasons to include the estimated cost of compliance and the related assumptions to be used in determining that estimate, if the proposed regulation impacts housing. Status: Held on the Suspense File of the Assembly Committee on Appropriations.